

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2811 – HB 3070

February 13, 2010

SUMMARY OF BILL: Authorizes Shelby County to sell at public auction commercial and residential properties that are subject to tax sale that are located in a federally designated empowerment zone or renewal community. The minimum bid must be the lesser of the property's assessed value or the total taxes, interest, penalties, and costs of collection owed.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Some properties will be sold to third parties who will pay all back taxes, penalties, interests and costs of collection. As to these properties, there is no net fiscal impact to Shelby County. Other properties for which there is no third-party buyer will be purchased by Shelby County for the amount owed. As to any properties purchased by Shelby County, the County will effectively convert a cash asset into a real property asset. The value of assets converted in this manner cannot reasonably be determined but is estimated to exceed \$10,000.

Assumption:

- According to Shelby County and the Office of the Comptroller, the number of qualifying properties cannot be determined. In the absence of data, it is estimated that properties with a cumulative tax delinquency exceeding \$10,000 will be purchased by Shelby County.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

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